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LB 401, 1028, 1116

on your amendment.

SENATOR SUTTLE: Thank you, Madam President. Mr. Clerk, I would like to substitute 4317 for 3777. (AM4317 appears on page 1067 of the Legislative Journal.)

SPEAKER KRISTENSEN: There's been a request for a substitution. Any objection? So ordered.

SENATOR SUTTLE: Thank you. Ladies and gentlemen of the body, I am...I'm introducing...this is Amendment 4317. I...so skip down on your machine to 4317 which is essentially (LB) 1116 with LB 1028's committee amendments. I'd really appreciate your support as we discuss and prepare to vote to further reduce the amount of income tax the citizens of Nebraska must pay in the coming years. We, as legislators, salons, senators and budget balancers, tend to hear only negative comments from the people of the state, not to mention the state's administration, the local governments and business executives. Let me relate some positive information about the state and its economic climate. Nebraska's population grew 5 percent during the 1990s, and that was reported yesterday in the Lincoln Journal Star. The growth rate today is ten times greater than in the 1980s when Nebraska grew only one-half of one percent. The unemployment rate is 1.8 percent as of January, 1998. The value of agricultural land increased for the 11th year in a row. Nebraska's economy is creating new jobs that pay an average of \$3 more per hour than the old ones. Most importantly, the state revenues continue to outpace projections. Let me repeat that. The state's revenues continue to outpace projections. The economy of our state continues to outpace also regional and national economies. The Nebraska Economic Forecasting Board has recently projected even stronger growth than it previously predicted. The income tax under LB 401 last year lasts only two years. If the tax cut is not made indefinite, then we are required by law to increase withholding. The 10 percent tax cut in Iowa took effect January 1, 1998. Nebraska needs to be competitive with Iowa and surrounding states by reducing our own income tax. We can cut the income tax in addition...an additional 2 percent. Based on current Forecasting Board's projections, the income tax cut can be deepened and sustained. The Revenue Committee, the legislators' voice of doom, keeps reminding us that good times